



## **US ARMY NAF EMPLOYEE *LONG TERM CARE INSURANCE***



## INTRODUCTION

**This booklet is published by the US Army NAF Employee Benefits Office. It is intended to provide you with useful information about the US Army NAF Group Long Term Care Plan. The information in this booklet is accurate as of the publication date. However, because applicable plan documents change from time to time, should the information in this booklet conflict with the provisions of the Long Term Care Master Application or the Group Long Term Care Insurance Policy issued by CNA, those CNA policy documents are the final authority. The full text of these Plan documents can be found in the Long Term Care Section of the NAF Benefits web site, [www.nafbenefits.com](http://www.nafbenefits.com).**

**Should you have any questions concerning the Long Term Care Plan, please contact your servicing NAF Personnel Office or forward your questions to this office using the email link from the NAF Benefits web site, [LTCplan@cfsc.army.mil](mailto:LTCplan@cfsc.army.mil).**

## TABLE OF CONTENTS

What is long term care?	4
What is Long Term Care Insurance	4
Why do I need Long Term Care Insurance	4
Enrolling in the Long Term Care Plan	5
Effective Date of Insurance	6
Participation Ends	7
Cost of the Long Term Care Plan	7
Long Term Care Plan Options	7
Upgrade Options	8
Additional Plan Features	9
How to Qualify for Benefits	10
Long Term Care Policy Exclusions	11
Your Long Term Care Plan	11
Where to Get Information and Assistance	12

## **WHAT IS LONG TERM CARE?**

Long term care is skilled, intermediate and/or custodial care provided to individuals who are unable to care for themselves, including:

- Institutional Based Care
  - Nursing Home Facility
  - Alternate Care Facility
  - Hospice Care Facility
- Community Based Care
  - Home Health Care
  - Adult Day Care / Foster Care
  - Assisted Living Facility
  - Home Hospice Care
- Services can be provided on a temporary or permanent basis
- Services can range from simple help with meal preparation, assistance with dressing or bathing, to complete 24-hour monitored care

## **WHAT IS LONG TERM CARE INSURANCE?**

Group Long Term Care coverage is designed to cover the costs associated with extended long-term care for you and other members of your immediate family. It is designed to meet the costs of extended care, which may be beyond your means or jeopardize the financial security of your family. Long term care insurance is designed to cover the costs of custodial care, not the cost of health care or medical services.

## **WHY DO I NEED LONG TERM CARE INSURANCE?**

Long term care is not just for the elderly. An accident or illness may strike at any age, leaving you permanently disabled and no longer capable of taking care of yourself. Nearly 40% of the people who require help with the basic activities of daily living are between the ages of 18 and 65. And the risk of requiring long term care increase with age. In fact, statistics show that one out of every three men will need long term care some time during their life, and one out of two women will require long term care.

Many people assume their long term care needs will be covered by their health insurance, Medicare or their Medicare Supplement. Health

insurance and Medicare will cover hospitalization and medically necessary expenses, but they are not intended to cover the cost of extended care beyond the first 90 days of care. Thereafter, although medical treatment expenses may continue to be covered, the cost of custodial care will not be covered. Medicaid will cover minimal costs of long term care in most states. However, in order to qualify for Medicaid, you will be required to exhaust all or most of your own assets.

Most people cannot save enough money to meet long term care needs. Statistics show that 46% of those people admitted to nursing homes are impoverished within three months, and 72% run out of money within the first year. Medicare and health insurance plans do not cover the costs of long term care. They are designed to cover the costs of hospitalization and medical care. Long term care may cost upwards of \$42,000 a year, and the average stay in a care facility is two and a half years. Unless you have sufficient income to cover those costs, the NAF Employee Group Long Term Care Plan should be an essential part of your planning for your future financial security.

## **ENROLLING IN THE LONG TERM CARE PLAN**

### **WHO MAY PARTICIPATE**

You may elect to enroll in the Long Term Care Plan if you are in an "eligible class." You are eligible if you are:

- a regular full time or regular part time NAF employee working at least 20 hours a week

### **AND**

- working in one of the 50 United States, the District of Columbia, or Puerto Rico.

### **HOWEVER:**

- if you are working overseas, you must be a U.S. citizen or the spouse or child of a U.S. citizen.
- Additionally, the following family members of eligible employees may enroll
  - ✓ Spouse
  - ✓ Parents (and in-laws)

- ✓ Grand parents (and in-laws)
- ✓ NAF Retirees and their spouses

Note: You do not have to enroll in the LTC plan for your eligible family members to apply for coverage.

Employees may not enroll their children.

#### **WHEN TO ENROLL IN THE GROUP LONG TERM CARE PLAN**

- Eligible employees may enroll in the Long Term Care Plan within 31 days of their hire date without evidence of insurability.
- Eligible employees who do not enroll during their first 31 days of hire may enroll at anytime. However, evidence of insurability is required.
- Family members of eligible employees may enroll at anytime with evidence of insurability.
- Retirees and their spouses may enroll at anytime with evidence of insurability.

#### **HOW TO ENROLL IN THE GROUP LONG TERM CARE PLAN**

In order to enroll in the Group Long Term Care Plan, you must complete the application and evidence of insurability forms (except new hires) included in the Long Term Care Enrollment kit. **Applications must be sent directly to CNA**, using the address provided in the enrollment kit. Applications are not processed through your servicing personnel office or the NAF Employee Benefits Office.

Please read the materials provided in your enrollment kit carefully, so you are fully aware of the benefits provided under the Plan.

NOTE: If your servicing personnel office does not have enrollment kits in stock, you may download the entire kit from the Long Term Care Section of the NAF Employee Benefits web site, [www.NAFBenefits.com](http://www.NAFBenefits.com), or you may call CNA directly using their toll free telephone number, 1-877-777-9072 to request an enrollment kit.

<h3><b>EFFECTIVE DATE OF INSURANCE</b></h3>
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Once your application has been processed and approved, CNA will issue a certificate of insurance, which will include the effective date of the policy. Your coverage goes into effect on the effective date of your

policy, provided you are actively at work. If you are not actively at work on the effective date, the coverage goes into effect on the day you return to work.

**PARTICIPATION ENDS**

Your coverage continues as long as you pay the required premiums, regardless of your employment status or any change in your relationship to the eligible employee. Your coverage will end only if you fail to make the required premium payments

**COST OF THE LONG TERM CARE PLAN**

Premiums are based on the age of the applicant at enrollment and the level of coverage and plan upgrades selected. Your age is your age on the effective date of your coverage. Premiums do not increase as you grow older.

Premiums are collected by payroll deduction for the eligible employee and spouse. Other eligible enrollees are billed quarterly for premiums. The rates are listed by age and coverage options in the Plan Booklet included with the enrollment kit. Premiums are waived on the first premium due date after benefits commence and will continue to be waived until no benefits have been paid for six months.

If an active employee terminates employment, retires, or transfers to an appropriated fund position, payroll deduction of premiums will stop. Absence of premium payments from NAF payroll will result in automatic direct billing of premiums by CNA, so that your coverage will not lapse. Participants are encouraged to notify CNA directly of any change in their employment status.

**LONG TERM CARE PLAN OPTIONS**

You may select from three different plan options. Each plan option provides a different maximum daily benefit level.

	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>
<b>Maximum Daily Benefit for Nursing Home Care</b>	<b>\$100</b>	<b>\$140</b>	<b>\$180</b>
<b>Daily Benefit for Community-Based Care (50% of Nursing Home</b>	<b>\$50</b>	<b>\$70</b>	<b>\$90</b>

**Benefit you select)**

<b>Caregiver Training Benefit</b>	<b>\$150</b>	<b>\$210</b>	<b>\$270</b>
<b>Temporary Bed Holding (100% of expense, not to exceed the maximum daily nursing home benefit for up to 21 days)</b>	<b>\$2,100</b>	<b>\$2,940</b>	<b>\$3,780</b>
<b>Alert System (Monthly rental or lease fees for such equipment)</b>	<b>\$50</b>	<b>\$70</b>	<b>\$90</b>

You may also select between two levels of Maximum Lifetime Benefits.

	<u><b>Option 1</b></u>	<u><b>Option 2</b></u>	<u><b>Option 3</b></u>
<b>Maximum Daily Benefit for Nursing Home Care</b>	<b>\$100</b>	<b>\$140</b>	<b>\$180</b>
<b>3 Year Maximum Lifetime Benefit</b>	<b>\$109,500</b>	<b>\$153,300</b>	<b>\$197,100</b>
<b>5 Year Maximum Lifetime Benefit</b>	<b>\$182,500</b>	<b>\$255,500</b>	<b>\$328,500</b>

The lifetime maximum constitutes a total dollar amount of benefit that is available for your use. If the daily cost of your long term care is less than the allowable maximum daily benefit you elected, the maximum lifetime benefit may last longer than the three or five years you elected.

<b>LONG TERM CARE PLAN UPGRADE OPTIONS</b>
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**Community Based Care Option:**

**Enhanced Home Health Care (Upgrades the Maximum Daily Benefit for Community Based Care).** This upgrade feature pays up to 100% of the nursing home benefit elected. Community based care incorporates the wide range of long term care services delivered outside of a traditional nursing home.

**Inflation Feature:**



**Lifetime Compounded Automatic Benefit Increase.** This upgrade will automatically increase the amount of your maximum daily nursing home and community based care benefits each year by 5% (compounded) of the prior year's amount for life without changing the premium.

## **ADDITIONAL LONG TERM CARE PLAN FEATURES**

- **Restoration of Lifetime Maximum Benefit**

If you have used a portion of your benefit, CNA will restore your lifetime maximum benefit to the original amount if for five consecutive years you have not received any additional benefits, long term care services or any medical care or treatment for a condition or combination of conditions resulting in the need for long term care services during the five year period.

- **Continuation of Coverage**

If you retire or leave Army NAF employment, your coverage will continue without reduction of coverage and with no increase in premiums.

- **Inflation Protection**

This feature helps you keep up with inflation and rising costs. At the third anniversary or later, you will be able to increase your maximum daily benefit amount, which automatically increases your lifetime maximum. Premiums for increases are based on your attained age at the time of the offer. The amount of the daily benefit increase will be not less than a compounded annual five percent rate. Employees actively at work and their spouses are guaranteed acceptance for benefit increase offers whether or not they have rejected past offers. All other insureds are guaranteed acceptance as long as they continue to accept benefit increase offers. If they have declined previous offers, they will be eligible, but will have to submit evidence of insurability. If their evidence of insurability is accepted, subsequent offers will be guaranteed issue until another offer is declined.

- **Hospice Care**

Terminally ill individuals can receive hospice care to alleviate pain and make them as comfortable as possible during the final

stages of their illness. In order to receive hospice care, a physician must certify that you have less than six months to live. Care can be provided by a licensed provider in the home, in a hospice care facility or in a nursing home that is licensed for hospice care.

- **Care Management Assistance**

The CNA care management program, a voluntary service, helps you and your family maximize long term care benefits while accommodating individual differences, needs and personal preferences. After an initial assessment, an individual plan of care is designed specifically for your care needs. With the aide of your physician and other family members, you decide on the care plan that is best for you. The care manager, a long term care professional, will help identify appropriate care providers, negotiate charges and monitor the care plan, if desired.

- **Overseas Coverage**

Although CNA is not licensed to write insurance for non-US citizens living abroad, insurance can be written for Social Security cardholders living in the US. If the non-US citizen moves overseas, they may take the policy with them. Additionally, CNA will make necessary arrangements so that policyholders may receive benefits overseas, based on a special rider to our group policy.

<b>HOW TO QUALIFY FOR BENEFITS</b>
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To qualify for long term care benefits you must be certified as chronically ill by a licensed health care practitioner and unable to perform at least two of the six Activities of Daily Living (ADL) for 90 days without the substantial assistance or supervision of another person. Or, you must be certified as requiring substantial supervision to protect you from threats to your health and safety due to severe cognitive impairment, such as Alzheimer's disease or similar dementias.

The six Activities of Daily Living (ADL) include:

- Bathing
- Continence
- Dressing
- Eating
- Toileting

- Transferring

There is a 90 day waiting period after you have been certified as requiring care before benefits are payable.

### **LONG TERM CARE POLICY EXCLUSIONS**

The policy will not pay benefits for the following:

- Loss due to or resulting from war or an act of war.
- Long term care to the extent that benefits are payable under Workers' Compensation, the Occupational Disease Act or Law, or a group health plan. However, the days on which long term care is received will count toward satisfying the waiting period.
- Long term care, which would be provided without charge in the absence of insurance.
- Treatment for neurosis, psychoneurosis, psychopathy, psychosis, or mental or emotional disease or disorder, which is not of organic nature. (Alzheimer's disease and similar dementias are covered)
- Nursing home care received in a hospital or clinic or a rehabilitation hospital, except as provided in the definition of Nursing Home, or in a facility or section of a facility, which operates primarily for the treatment of alcoholics or drug addicts or the mentally ill.
- Long term care to the extent that benefits are payable under Medicare or would be so reimbursable for the application of a deductible or coinsurance amount.

### **YOUR LONG TERM CARE PLAN**

Your Group Long Term Care Plan is an important and valuable benefit provided by your employer. It is an integral part of your planning to help you achieve financial security throughout your life. When you are young, it provides a safety net should you become unexpectedly ill or have an accident, the effects of which would require long term care.

We hope that this booklet is helpful to you in making your decision to enroll in the Plan and in managing this valuable benefit. Should you need additional information, please consult the Long Term Care Plan Section of the NAF Benefits web site, [www.nafbenefits.com](http://www.nafbenefits.com), visit your servicing civilian personnel office or call CNA or the NAF Benefits Office.

## **WHERE TO GET INFORMATION AND ASSISTANCE**

For more detailed information about the Long Term Care Plan, please review the Plan Booklet and the materials provided in the LTC Enrollment Kit, available from your servicing personnel office or by calling CNA.

CNA

Toll free number

From CONUS 1-877-777-9072

From overseas call AT&T Direct Access Code and then 877-777-9072

CNA Web site [www.ltcbenefits.com](http://www.ltcbenefits.com)

PASSWORD = armynafltc

US Army NAF Employee Benefits Office

P.O. Box 107

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1-877-384-2340 or 703-681-7262 or DSN 761-7262

NAF Benefits web site, [www.nafbenefits.com](http://www.nafbenefits.com)

